

**PATIENT FINANCIAL SERVICES
POLICIES AND PROCEDURE**



SUBJECT: Financial Assistance

POLICY NO: 500

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- I. TITLE: FINANCIAL ASSISTANCE / CHARITY CARE
- II. OBJECTIVE: ECHN is committed to providing financial assistance to persons who have healthcare needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation. Consistent with their mission to deliver compassionate and high quality healthcare services and to advocate those who are poor and disenfranchised, ECHN strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care.
- III. PURPOSE: To identify those patients that qualify for charitable assistance and to complete write-off procedures that in keeping with state and federal regulations.
- a. ECHN is committed to providing financial assistance to persons who have health care needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation.
 - b. It is the policy of ECHN to provide Financial Assistance based on indigence or high medical expenses for patients who meet specified financial criteria and request such assistance. The purpose of the following policy is to describe how applications for Federal Assistance should be made, the criteria for eligibility, and the steps for processing each application.
 - c. Financial assistance may be extended when a review of a patient's individual financial circumstances has been conducted and documented. This should include a review of the patient's existing medical expenses and obligations (including any accounts having gone to bad debt except those accounts that have gone to lawsuit and a judgment has been obtained) and any projected medical expenses. Financials Assistance Applications may be offered to patients whose accounts are with a collection agency and will apply only to those accounts on which a judgment has not been granted.
 - d. Race, gender, sexual orientation, religious or political affiliation, social or immigration status will not be taken into consideration.
 - e. ECHN has seen an increase in Emergency Room visits from patients who are not eligible for or do not have any insurance coverage and have demonstrated significant difficulty in paying for healthcare services. To further ECHN's commitment to their mission to provide healthcare to patients seeking emergency care, ECHN reserves the right to grant financial assistance with an abbreviated application being made by their uninsured patients being seen in the Emergency Room. The patients eligible for this financial assistance must not be eligible for any other insurance benefits or have exhausted their insurance benefits, and do not have active medical assistance coverage.
- IV. DEFINITIONS: The following terms are meant within this policy to be interpreted as follows:
- a. Charity Care means free or discounted health care services rendered by a hospital to persons who cannot afford to pay, including but not limited to, care to the uninsured patient or patients who are expected to pay all or part of a hospital bill based on income guidelines and other financial criteria set forth in statute or in the hospital's charity care policies on file at OCHA.
 - b. Emergency Care: Immediate care which is necessary to prevent putting the patient's health in serious jeopardy, serious impairment to bodily functions, and serious dysfunction of any organs or parts.
 - c. Family: Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal revenue Services rules, if the patient claims

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- someone as a dependant on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance.
- d. Family Income: family income is determined using the census Bureau definition, which uses the following income when computing federal poverty guidelines.
 - i. Includes earnings, unemployment compensation, workers' compensation, Social security, Supplemental security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources.
 - ii. Noncash benefits (such as food stamps and housing subsidies) do not count.
 - iii. Determined on a before-tax basis
 - iv. If a person lives with a family, includes the income of all family members (non-relatives, such as housemates do not count)
 - e. Medically Necessary: hospital services or care rendered (both inpatient and outpatient) to a patient in order to diagnose, alleviate, correct, cure or prevent the onset or worsening of conditions that endanger life, cause suffering or pain, cause physical deformity or malfunction, threaten to cause or aggravate a handicap, or result in overall illness or infirmity.
 - f. Underinsured: Patients who carry insurance or have third party assistance to help pay for medical services, but who accrue or have the likelihood of accruing out-of-pocket expenses which exceed their financial ability.
 - g. Uninsured: means a patient who is without health insurance for whom the payer responsible for payment of the bill for hospital services rendered is the patient, the patient's parent or guardian or another responsible person, who is not a third party payer and who is not subsequently reimbursed by another payer for the cost of any of the services rendered to the patient. A patient shall not be classified an uninsured patient, if such subsequent reimbursement takes place.
 - h. Urgent Care: Services necessary in order to avoid the onset of illness or injury, disability, death, or serious impairment or dysfunction if treated within 12 hours.
- V. **GUIDELINES**: In order to provide the level of aid necessary to the greatest number of patients in need, and protect the resources needed to do so, the following guidelines apply:
- a. **Patient**
 - i. Services are provided under charity care only when deemed medically necessary and after patients are found to have met all financial criteria based on the disclosure of proper information and documentation.
 - ii. Any patient who believes that they are qualified may apply for financial assistance under the hospital's charity care policy or discount policy.
 - iii. Patients are expected to contribute payment for care based on their individual financial situation; therefore, each case will be reviewed separately.
 - iv. Charity Care is not considered an alternative option to payment and patients may be assisted in finding other means of payment or financial assistance before approval for charity care.
 - v. Uninsured patients who are believed to have the financial ability to purchase health insurance may be encouraged to do so in order to ensure healthcare accessibility and overall well-being.
 - b. **Hospital**
 - i. ECHN will maintain an understandable, written financial assistance policy for low income uninsured patients, addressing patients, addressing the hospital's charity care policy, as well as its discount payment policy for the low-income uninsured.
 - ii. ECHN's financial assistance policy should clearly state the eligibility criteria (i.e., income, assets) and the process used by the hospital to determine whether a patient is eligible for the financial assistance. Such process should take into account where and how a particular patient falls relative to existing Federal Poverty Guidelines (FPG). See Exhibit A for current FPL).
 - iii. ECHN will use their best efforts to ensure that all financial assistance policies are applied consistently.
 - iv. In determining a patient's eligibility for financial assistance, ECHN will assist the patient in determining if he/she is eligible for government-sponsored programs.
 - v. Annually ECHN will file the hospital's policies on charity care with the State Office of Health Care Access.
 - vi. ECHN is required to file a mandatory annual report to the Office of Health Care Access indicating the number of applicants and the dollar amount provided to each patient.

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VI. COMMUNICATION:

- a. Notification about charity care available from ECHN, will include a contact number, shall be disseminated by ECHN by various means, which may include, but not limited to, the publication of notices in patient bills and posting notices in emergency rooms, admitting and registration departments, hospital business offices, and patient financial services offices that are located on facility campuses, and at other public places as ECHN may elect. Information shall also be included on our facility websites and the Conditions of Admission form. Such information shall be provided in the primary language spoken by the population serviced by ECHN. Referral of patients for charity may be made by any member of the ECHN staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and the religious sponsors. A request for charity care may be made by the patient or a family member, close friend, or associate of the patient, subject to privacy laws.
- b. Every posted notice regarding financial assistance policies should contain brief instructions on how to apply for charity care of a discounted payment. The notices also should include a contact telephone number that a patient or family member can call to obtain more information.
- c. ECHN will ensure that appropriate staff members are knowledgeable about the existence of the hospital's financial assistance policies. Training should be provided to staff members (i.e., billing office, financial department, etc.) who will directly interact with patients regarding their hospital bills.
- d. When communicating to patients regarding their financial assistance policies, hospitals should attempt to do so in the primary language of the patient, or his/her family, if reasonable possible, and in a manner consistent with all applicable federal and state laws and regulations.
- e. ECHN will share their financial assistance policies with appropriate community health and human service agencies and other organizations that assist such patients.

VII. PROCEDURES:

- a. Services Eligible Under This Policy
 - i. For purposes of this policy, "charity care" or "financial Assistance" refers to healthcare services provided by ECHN without charge or at a discount to qualifying patients. The following healthcare services are eligible for charity:
 1. Emergency medical services provided in an emergency room setting;
 2. Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual;
 3. Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and
 4. Medically necessary services, evaluated on a case-by-case basis at ECHN's discretion.
- b. Eligibility for Charity Care
 - i. Eligibility for charity will be considered for those individuals who are uninsured, underinsured, ineligible for any government health care benefit program, and who are unable to pay for their care, based upon a determination of financial need in accordance with this Policy.
 - ii. The granting of charity shall be based on an individualized determination of financial need, and shall not take into account age, gender, race, social or immigrant status, sexual orientation or religious affiliation.
- c. Determination of Financial Need
 - i. Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and may
 1. Include an application process, in which the patient or the patient's guarantor are required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need;
 2. May rely upon publically available information and resources to determine the financial resources of the patient or a potential guarantor;
 3. Include reasonable efforts by ECHN to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs;
 4. Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.

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- ii. It is preferred but not required that a request for charity and a determination of financial need occur prior to rendering of non-emergent medically necessary services. However, the determination may be done at any point in the collection cycle. The need for financial assistance shall be re-evaluated at each subsequent time of services if the last financial evaluation was completed more than six months prior, or at any time additional information relevant to the eligibility of the patient for charity becomes known.
- iii. ECHN's values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of charity. Requests for charity shall be processed promptly and ECHN shall notify the patient or applicant in writing within 15 days of receipt of a completed application.
- d. Presumptive Financial Assistance Eligibility
 - i. There are instances when a patient may appear eligible for charity care discounts, but there is no financial assistance form on file due to a lack of supporting documentation. Often there is adequate information provided by the patient or through other sources, which could provide sufficient evidence to provide the patient with charity care assistance.
 - ii. In the event there is no evidence to support a patient's eligibility for charity care, ECHN could use outside agencies in determining estimate income amounts for the basis of determining charity care eligibility and potential discount amounts.
 - iii. Once determined, due to the inherent nature of the presumptive circumstances, the only discount that can be granted is a 100% write off of the account balance. Presumptive eligibility may be determined on the basis of individual life circumstances that may include:
 - 1. State-funded prescription programs;
 - 2. Patient is homeless or received care from a homeless clinic;
 - 3. Patient files bankruptcy
 - 4. Participation in Women, Infants and Children programs (WIC);
 - 5. Patient is eligible for assistance under the Crime Victims Act or Sexual Assault Act
 - 6. Food stamp eligibility;
 - 7. Subsidized school lunch program eligibility;
 - 8. Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down);
 - 9. Low income/subsidized housing is provided as a valid address; and
 - 10. Patient is deceased with no known estate.
 - 11.

VIII. PATIENT CHARITY GUIDELINES

- a. To be considered for charity care, patients must cooperate with the hospital to explore alternative means of assistance, if necessary, including Medicare and Medicaid. Patients will be required to provide necessary information and documentation when applying for a discount, charity care, or other private or public programs.
 - i. The following guidelines have been established to assist in determining whether or not an individual is eligible for charity care;
 - 1. The application must be fully completed and signed by the patient / responsible party
 - 2. Proof of income for applicant (and spouse if applicable) is verified by two forms of documentation:
 - a. Last four paystubs
 - b. Previous Year Federal Income Tax Form
 - c. Previous Year W-2 Form
 - d. Social Security Statement
 - e. Unemployment Benefit Statement
 - 3. Other documentation that could be required:
 - a. Proof of disability compensation
 - b. Medicare patients will need copy of social security benefits, pension or retirement benefits and/or bank statements showing deposits
 - c. Workers compensation patients showing deposits
 - ii. Services eligible under this Policy will be made available to the patient on a sliding fee scale, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination.

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- iii. Once a patient has been determined by ECHN to be eligible for financial assistance, that patient shall not receive any future bills based on undiscounted gross charges. The basis for the amounts ECHN will charge patients qualifying for financial assistance is as follows:
 - 1. Patients whose family income is at or below 100% of the FPL are eligible to receive free care;
 - 2. Patients whose family income is between 101% and 300% of the FPL will have their balance reduced per the ECHN sliding fee scale.
 - 3.

IX. COLLECTION PRACTICES FOR CHARITY CARE PATIENTS

- a. Internal and external collection policies and procedures will take into account the extent to which a patient is qualified for charity care or discounts. In addition, patients who qualify for partial discounts are required to make a good faith effort to honor payment agreements with ECHN, including payment plans and discounted hospital bills. ECHN is committed to working with patients to resolve their accounts, and at its discretion, may provide extended payment plans to eligible patients. ECHN will not pursue legal action for non-payment of bills against charity care patients who have cooperated with the hospital to resolve their accounts and have demonstrated their income and/or assets are insufficient to pay medical bills.
- b. In the event a patient fails to qualify for Charity Care or fails to pay their portion of discounted charges, and the patient does not pay timely their obligations to ECHN, the Hospital reserves the right to begin collection actions and reporting the matter to one or more credit rating agencies. For charity care patients meeting all requirements, ECHN will cease all collection efforts on their account and will not send unresolved balances to bills to outside agencies.

X. ATTACHMENTS: A

XI. INDIVIDUAL RESPONSIBLE FOR REVISION: Director, PFS

XII. ORIGINATED: 07/29/02 REVISION DATE: 8/1/05
8/3/07
9/20/10

Notice of Availability for Uncompensated Care

Eastern Connecticut Health Network, Inc. will provide assistance for those patients who fall within the guidelines below.

To be eligible to receive uncompensated care, your family must be at or below the following current guidelines.

Family Gross Income Levels

2011 Federal Poverty Guidelines	125%	150%	175%	200%	250%	300%
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% of Write Off	100%	90%	80%	70%	60%	50%
Family Size						
1	13,538	16,245	18,953	21,660	27,075	32,490
2	18,213	21,855	25,498	29,140	36,425	43,710
3	22,888	27,465	32,043	36,620	45,775	54,930
4	27,563	33,075	38,588	44,100	55,125	66,150
5	32,238	38,685	45,133	51,580	64,475	77,370
6	36,913	44,295	51,678	59,060	73,825	88,590
7	41,588	49,905	58,223	66,540	83,175	99,810
8	46,263	55,515	64,768	74,020	92,525	111,030

Add \$3,740 for each additional member

Patient Responsibility	0%	10%	20%	30%	40%	50%
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If you feel you may be eligible, you may request free or discounted services at the Patient Financial Service Office. Requests may be made prior to admission, during the stay or at time of discharge. A financial evaluation form and application will be provided for the applicant upon request. The Hospital will make a final determination of your eligibility for uncompensated services.

When Third Party coverage is available (Medicare, State, Medicaid LIA, etc) all applicable benefits must be applied first. Patient convenience items such as private room differentials are not covered.

Refusal to take reasonable actions necessary to obtain these available benefits can exclude the granting of uncompensated services.

Source – Federal Register Income Poverty Guidelines

***Assign CFAP insurance to claim and indicate the discount %*

Revised 10/01/2010

ECHN Financial Assistance Program for Emergency Room Services

Financial Assistance Gross Family Income Levels

2011
Federal
Poverty
Guidelines

Family size	100%	125%	150%	175%	200%	250%	300%	Over 300%
1	10,830	13,538	16,245	18,953	21,660	27,075	32,490	
2	14,570	18,213	21,855	25,498	29,140	36,425	43,710	
3	18,310	22,888	27,465	32,043	36,620	45,775	54,930	
4	22,050	27,563	33,075	38,588	44,100	55,125	66,150	
5	25,790	32,238	38,685	45,133	51,580	64,475	77,370	
6	29,530	36,913	44,295	51,678	59,060	73,825	88,590	
7	33,270	41,588	49,905	58,223	66,540	83,175	99,810	
8	37,010	46,263	55,515	64,768	74,020	92,525	111,030	
	3,740	3,740 for each additional family member						

	Plar Plan A		Plan B	Plan C	Plan D	Plan E	Plan F	Plan G
Discount	100%	100%	90%	80%	70%	60%	50%	40%

Patient responsibility		0%	10%	20%	30%	40%	50%	60%
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Point of service payment	0	\$0	\$50	\$75	\$100	\$100	\$100	\$125
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Max Bill		\$0	\$75	\$150	\$200	\$300	\$400	\$500
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Patient balance with point of service payment	0	0	\$25	\$75	\$100	\$200	\$300	\$375
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Pay Plan Option - sign contract

2 (\$100) 3 (\$100) 3 (\$125)

**Assign FAPER Insurance Plan